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Sincerely,

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Julius Genachowski



## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Cathy McMorris Rodgers  
U.S. House of Representatives  
2421 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congresswoman McMorris Rodgers:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

As you indicate, the Commission's unanimous overhaul of the Universal Service program focused on three key goals: delivering broadband to the millions of unserved Americans, requiring fiscal responsibility and accountability in USF spending to ensure the long-term sustainability of the Fund, and providing transition periods that recognize business realities.

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The Commission's implementation of the *USF/ICC Transformation Order* continues to be guided by these principles, including making adjustments to the *Order* as appropriate. For instance, on April 25, 2012, the Commission extended the transition for originating intercarrier compensation payments, addressing a concern raised by a number of smaller carriers. Likewise, in the Wireline Competition Bureau's April *Benchmarks Order*, the Bureau revised the initially proposed high-cost loop support benchmark categories to respond to concerns raised by smaller carriers. The revised methodology takes recent investment into consideration; it accounts for several additional drivers of cost in comparing spending between carriers; it extends the transition period to give carriers more time to adjust; and it provides a streamlined process to address any concerns about the accuracy of carriers' data. The Commission has also extended a number of reporting deadlines for smaller carriers.

Even as we continue to make necessary adjustments, in order to extend broadband to unserved rural communities while ensuring fiscal responsibility it is important to keep moving

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Julius Genachowski



## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Randy Neugebauer  
U.S. House of Representatives  
1424 Longworth House Office Building  
Washington, D.C. 20515

Dear Congressman Neugebauer:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

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Julius Genachowski



## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Kristi Noem  
U.S. House of Representatives  
226 Cannon House Office Building  
Washington, D.C. 20515

Dear Congresswoman Noem:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

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Julius Genachowski



## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Steve Pearce  
U.S. House of Representatives  
2432 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Pearce:

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Julius Genachowski



## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Mike Pence  
U.S. House of Representatives  
100 Cannon House Office Building  
Washington, D.C. 20515

Dear Congressman Pence:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

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Julius Genachowski



## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Collin C. Peterson  
U.S. House of Representatives  
2211 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Peterson:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

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## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Thomas E. Petri  
U.S. House of Representatives  
2462 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Petri:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

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Julius Genachowski



## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Denny Rehberg  
U.S. House of Representatives  
2448 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Rehberg:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

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Julius Genachowski



## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Reid Ribble  
U.S. House of Representatives  
1513 Longworth House Office Building  
Washington, D.C. 20515

Dear Congressman Ribble:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

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## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Mike Ross  
U.S. House of Representatives  
2436 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Ross:

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## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Bobby Schilling  
U.S. House of Representatives  
507 Cannon House Office Building  
Washington, D.C. 20515

Dear Congressman Schilling:

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## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable James Sensenbrenner, Jr.  
U.S. House of Representatives  
2449 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Sensenbrenner:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

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A handwritten signature in dark ink, appearing to be 'JG', with a checkmark-like flourish at the bottom left of the signature.

Julius Genachowski



## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Lamar S. Smith  
U.S. House of Representatives  
2409 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Smith:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

As you indicate, the Commission's unanimous overhaul of the Universal Service program focused on three key goals: delivering broadband to the millions of unserved Americans, requiring fiscal responsibility and accountability in USF spending to ensure the long-term sustainability of the Fund, and providing transition periods that recognize business realities.

These reforms will put America on the path to universal broadband and advanced mobile coverage – critical steps to create new jobs in rural America and across the nation. In particular, the creation of the Connect America Fund (CAF) will accelerate broadband build-out to the 19 million Americans who currently have no access to robust broadband infrastructure. This will create jobs and economic opportunity for small and large businesses in rural America, as well as construction workers and salespeople. Increased broadband availability in rural areas will also help schools and teachers and provide telemedicine opportunities for doctors and health care providers.

The Commission's implementation of the *USF/ICC Transformation Order* continues to be guided by these principles, including making adjustments to the *Order* as appropriate. For instance, on April 25, 2012, the Commission extended the transition for originating intercarrier compensation payments, addressing a concern raised by a number of smaller carriers. Likewise, in the Wireline Competition Bureau's April *Benchmarks Order*, the Bureau revised the initially proposed high-cost loop support benchmark categories to respond to concerns raised by smaller carriers. The revised methodology takes recent investment into consideration; it accounts for several additional drivers of cost in comparing spending between carriers; it extends the transition period to give carriers more time to adjust; and it provides a streamlined process to address any concerns about the accuracy of carriers' data. The Commission has also extended a number of reporting deadlines for smaller carriers.

Even as we continue to make necessary adjustments, in order to extend broadband to unserved rural communities while ensuring fiscal responsibility it is important to keep moving

forward with implementation of the Commission's reforms. As we do so, the Commission will continue to run a fair, open process in which the valid concerns of stakeholders are addressed — working closely with affected carriers to ensure that residents of the nation's rural and high-cost areas receive the quality voice and broadband services that all Americans need. I appreciate your interest in this very important matter. Please let me know if I can be of any further assistance.

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Julius Genachowski



## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Mac Thornberry  
U.S. House of Representatives  
2209 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Thornberry:

Thank you for your letter regarding the effect of the Commission's Universal Service Fund (USF) reforms. I want to assure you that the Commission will continue to work with all stakeholders, including smaller rate-of-return carriers, throughout the reform process. Your letter will be included in the record of the proceeding and considered by the Commission.

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## FEDERAL COMMUNICATIONS COMMISSION

August 15, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Joe Wilson  
U.S. House of Representatives  
2229 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Wilson:

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Page 2—The Honorable Joe Wilson

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